

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://cao.lacounty.gov

> Board of Supervisors GLORIA MOLINA First District

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March 20, 2007

To:

Supervisor Zev Yaroslavsky, Chairman

Supervisor Gloria Molina Supervisor Yvonne B. Burke Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

David E. Janssen

Chief Administrative Officer

WASHINGTON, D.C. UPDATE

Federal Fiscal Year 2007 Supplemental Appropriations Bill

On March 15, 2007, the House Appropriations Committee adopted a Federal Fiscal Year (FFY) 2007 Supplemental Appropriations bill, which includes more than \$124 billion in funding, most of which goes to the Department of Defense for its war-related operations in Iraq and Afghanistan. The bill also includes funding for the following non-defense programs and activities of County interest:

- \$970 million to the Department of Health and Human Services as the third installment of funding to prepare for, and respond to, an influenza pandemic;
- \$415 million for state and local homeland security programs of which \$190 million is for port security grants and \$225 million is for rail and transit security grants;
- \$100 million for Emergency Management Performance Grants to state and local governments; and
- \$500 million for Federal wildfire suppression emergency reserve accounts to replenish funds that were depleted during the 2006 fire season.

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Of importance to the County, the Committee adopted, by voice vote, an en bloc amendment which protects unobligated FFYs 2005 and 2006 funds needed to reimburse the County's Department of Health Services and other health providers for the cost of emergency medical care provided to undocumented immigrants. As reported in the March 13, 2007, Washington, D.C. update to your Board, the Committee's draft bill included a provision, which would have rescinded any FFYs 2005 or 2006 funds appropriated under Section 1011 of the Medicare Modernization Act (MMA) of 2003 that had not been obligated as of September 30, 2006 to reimburse such costs. This rescission would have greatly reduced the amount of available funds to reimburse eligible costs, including the County's.

The County's Washington, D.C. advocates worked closely with other affected health providers, state and local governments, and the California and County Congressional delegation to have this Section 1011 funding cut dropped from the House bill. We caution that the program will be more vulnerable to budget cuts in the Senate because, similar to the State Criminal Alien Assistance Program, most of the funding goes to relatively few states. Only six senators in the U.S. Senate represent California, Texas, or Arizona, the three states which together receive about 64 percent of all Section 1011 funding.

The House Appropriations Committee has not yet reported the FFY 2007 Supplemental Appropriations bill; however, House floor action on the bill is scheduled to begin on March 23, 2007, while the Senate is expected to act on its version next week. Congressional leaders hope to clear the supplemental funding bill for the President's signature before the Congressional spring recess begins on March 31, 2007. However, that target date may not be met due to major disagreements over its Iraq war provisions. Moreover, yesterday, the White House released a policy statement, indicating that it would veto the House bill because of its opposition to its war-related provisions, its funding for domestic programs, such as homeland security, and other domestic policy language, such as its provision, which would increase the Federal minimum wage to \$7.25 an hour.

We will continue to keep you advised.

DEJ:GK MAL:MT:acn

c: All Department Heads Legislative Strategist